

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

STANFORD INTERNATIONAL BANK, LTD.,  
STANFORD GROUP COMPANY,  
STANFORD CAPITAL MANAGEMENT, LLC,  
R. ALLEN STANFORD, JAMES M. DAVIS, and  
LAURA PENDERGEST-HOLT

Defendants.

Case No.: 3:09-cv-0298-N

8:10me80

FILED  
U.S. DISTRICT COURT  
DISTRICT OF NEBRASKA  
10 JUL 26 PM 3:12  
OFFICE OF THE CLERK

**AGREED PRELIMINARY INJUNCTION AS TO STANFORD  
INTERNATIONAL BANK, LTD., STANFORD GROUP COMPANY  
AND STANFORD CAPITAL MANAGEMENT, LLC  
AND AGREED ORDER GRANTING OTHER EQUITABLE RELIEF**

This matter came before me, the undersigned United States District Judge, this 2 day of March, 2009, on the application of Plaintiff Securities and Exchange Commission for issuance of a preliminary injunction against Defendants Stanford International Bank, Ltd., Stanford Group Company and Stanford Capital Management, LLC ("Entity Defendants"), and an order for other equitable relief against each of them. This Court has previously issued a temporary restraining order, order freezing assets, order requiring an accounting, order requiring preservation of documents, order authorizing expedited discovery, and order appointing receiver. Defendants have agreed to the entry of this Agreed Preliminary Injunction and Agreed Order Granting Other Equitable Relief ("Preliminary Injunction"), without admitting or denying the allegations contained in the Commission's Complaint; have agreed that this Court has jurisdiction over them and subject matter of this action; and have agreed to waive a hearing and the entry of findings of fact and conclusions of law.

Certified a true copy of an instrument  
on file in my office on MAR - 4 2009  
Clerk, U.S. District Court  
Northern District of Texas  
By Dawn D. Burton Deputy

I.

IT IS HEREBY ORDERED that the Entity Defendants and their agents, servants, employees, attorneys, and all other persons in active concert or participation with them who receive actual notice of this Preliminary Injunction by personal service or otherwise are restrained and enjoined from violating Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)], directly or indirectly, in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails, by:

- (1) employing any device, scheme, or artifice to defraud; or
- (2) obtaining money or property by means of any untrue statement of material fact or any omission to state a material fact necessary in order to make the statement(s) made, in the light of the circumstances under which they were made, not misleading; or
- (3) engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

II.

IT IS HEREBY ORDERED that the Entity Defendants and their agents, servants, employees, attorneys, and all other persons in active concert or participation with them who receive actual notice of this Preliminary Injunction by personal service or otherwise are restrained and enjoined from violating Section 10(b) of the Exchange Act or Rule 10b-5 [15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5], directly or indirectly, in connection with the purchase or sale of any security, by making use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- (1) to use or employ any manipulative or deceptive device or contrivance in

contravention of the rules and regulations promulgated by the Commission;

- (2) to employ any device, scheme, or artifice to defraud;
- (3) to make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statement made, in the light of the circumstances under which they were made, not misleading, or
- (4) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

### III.

IT IS HEREBY ORDERED that Defendants Stanford Group Company and Stanford Capital Management, LLC, their agents, servants, employees, attorneys, and all other persons in active concert or participation with them who receive actual notice of this Preliminary Injunction by personal service or otherwise are restrained and enjoined from violating Sections 206(1) and 206(2) of the Advisers Act [15 U.S.C. §§ 80b-6(1), (2)], directly or indirectly, by use of the mails or any means or instrumentality of interstate commerce, by:

- (1) employing any device, scheme, or artifice to defraud any client or prospective client; or
- (2) engaging in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.

### IV.

IT IS HEREBY ORDERED that Stanford International Bank, Ltd., and Stanford Group Company, their officers, directors, agents, servants, employees, attorneys, and all other persons in active concert or participation with them, are restrained and enjoined from violating Section 7(d) of the Investment Company Act [15 U.S.C. §80a-7(d)], directly

or indirectly, by use of the mails or any means or instrumentality of interstate commerce,  
by:

- (1) acting as an investment company, not organized or otherwise created under the laws of the United States or of a State, and offering for sale, selling, or delivering after sale, in connection with a public offering, any security of which such company is the issuer; or
- (2) acting as a depositor of, trustee of, or underwriter for such a company; unless
- (3) the Commission, upon application by the investment company not organized or otherwise created under the laws of the United States or of a State, issues a conditional or unconditional order permitting such company to register and to make a public offering of its securities by use of the mails and means or instrumentalities of interstate commerce.

V.

IT IS HEREBY ORDERED that all banks, savings and loan associations, savings banks, trust companies, securities broker-dealers, commodities dealers, investment companies, other financial or depository institutions, and investment companies that hold one or more accounts in the name, on behalf or for the benefit of the Entity Defendants who receive actual notice of this Preliminary Injunction by personal service or otherwise are hereby restrained and enjoined, in regard to any such account, from engaging in any transaction in securities (except liquidating transactions necessary to comply with a court order) or any disbursement of funds or securities pending further order of this Court.

VI.

IT IS HEREBY ORDERED that all other individuals, corporations, partnerships, limited liability companies, and other artificial entities who receive actual notice of this Preliminary Injunction by personal service or otherwise are hereby restrained and enjoined from disbursing any funds, securities, or other property obtained from the Entity Defendants without adequate consideration.

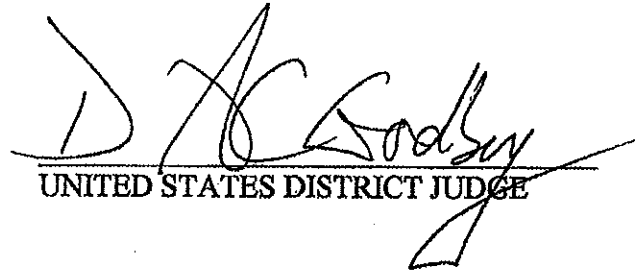
VII.

IT IS HEREBY ORDERED that any employee of, attorney for, and all other persons in active concert or participation with the Entity Defendants, including any bank, securities broker-dealer, or any financial or depository institution, who receives actual notice of this Preliminary Injunction by personal service or otherwise are hereby restrained and enjoined from destroying, removing, mutilating, altering, concealing, or disposing of, in any manner, any books and records owned by, or pertaining to, the financial transactions and assets of Defendants or any entities under their control.

VIII.

The Entity Defendants shall have sixty (60) days from the date of this Preliminary Injunction in which to answer the Commission's Complaint.

EXECUTED AND ENTERED at 4:30 o'clock ~~am~~ pm CST this 2 day of March, 2009

  
UNITED STATES DISTRICT JUDGE

Agreed to Form:

s/ David B. Reece

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*Receiver for the Entity Defendants*